

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3668

ANSWERED ON:27.04.2007

SHARIAT COMPLAINT SAVINGS AND INVESTMENT SYSTEM

Panda Shri Prabodh

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received any representation from the members of Parliament regarding introduction of a Shariat-complaint savings and investment system;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) : A Task Force of MPs has submitted a Report on 'Haj Management Reforms' to the Prime Minister, inter-alia, recommending establishment of an Organisation on the lines of the 'Tabung Haji' of Malaysia to assist the Muslims in performance of Haj by way of investing their savings as permitted under Islam.

(c): Reserve Bank of India (RBI) is of the view that such an organisation would be a Non-banking Financial Company (NBFC) if its financial assets are more than 50% of its total assets (netted off by intangible assets) and income from financial assets is more than 50% of the gross income. Should this be the case, the proposed organisation would be a deposit taking NBFC and would come under financial regulation. The asset structure indicated in the report would suggest that bulk of the assets would be non- financial. If the organization does not meet the NBFC criteria it will not be subject to RBI or any other financial regulation.